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US BANK/FCC MAY 29 2014

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVISE
FORM 159

Approved by OMB
3060-0389
Page No. 1 of 2

(1) LOCKBOX # 979091		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) New Florence Telephone Company		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$1,050.00	
(4) STREET ADDRESS LINE NO. 1 150 S. Main			
(5) STREET ADDRESS LINE NO. 2 PO Box 270			
(6) CITY Rockland		(7) STATE ID	(8) ZIP CODE 83271
(9) DAYTIME TELEPHONE NUMBER (include area code) 208-548-2345		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0004-3740-47		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME New Florence Telephone Company			
(14) STREET ADDRESS LINE NO. 1 150 S. Main			
(15) STREET ADDRESS LINE NO. 2 PO Box 270			
(16) CITY Rockland		(17) STATE ID	(18) ZIP CODE 83271
(19) DAYTIME TELEPHONE NUMBER (include area code) 208-548-2345		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0004-3740-47		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CDT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$1,050.00	(27A) TOTAL FEE \$1,050.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Richard A. Finnigan</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>[Signature]</u>		DATE <u>5/29/14</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD <input type="checkbox"/> VISA <input checked="" type="checkbox"/> AMEX <input type="checkbox"/> DISCOVER <input type="checkbox"/>			

PAID BY CREDIT CARD

Law Office of
Richard A. Finnigan
2112 Black Lake Blvd. SW
Olympia, Washington 98512

Richard A. Finnigan
(360) 956-7001
rickfinn@localaccess.com

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Legal Assistant
(360) 753-7012
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May 28, 2014

VIA FEDERAL EXPRESS

Federal Communications Commission
c/o U.S. Bank - Government Lockbox #979091
SL-MO-C2-GL
1005 Convention Plaza
St. Louis, MO 63101
Attention: FCC Government Lockbox

Re: TDS Telecommunications Corp., d/b/a TDS Telecom and New Florence
Telephone Company – Domestic 214 Application

Dear Sir/Madam:

Enclosed are the original and six copies of the Domestic 214 Application between TDS Telecommunications Corp., d/b/a TDS Telecom as Transferor and New Florence Telephone Co. as Transferee. Also enclosed is the Form 159 with payment information for the filing fee of \$1,050.00.

Please date stamp and return one copy of the Application to me in the enclosed self-addressed, stamped envelope.

Please let me know if you have any questions.

Sincerely,



RICHARD A. FINNIGAN

RAF/cs
Enclosures

cc: Garrin Bott (via e-mail)
DeeDee Kluser (via e-mail)
Yaron Dori (via e-mail)
Daniel Kahn (via e-mail)
Trip England (via e-mail)
Brian McCartney (via e-mail)

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

Application of

TDS Telecommunications Corp., d/b/a TDS
Telecom,

Transferor,

and

New Florence Telephone Company,

Transferee,

For Consent for Transfer of Control

WC Docket No. _____

To: Wireline Competition Bureau

APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Section 63.03 or 63.04 of the Commission's rules, 47 C.F.R. § 63.03 and § 63.04, TDS Telecommunications Corp., d/b/a TDS Telecom ("TDS Telecom" or "Transferor") and New Florence Telephone Company ("New Florence" or "Transferee") (together "Applicants" filing the "Application") hereby respectfully request for the reasons detailed below the authority necessary to consummate a transaction (the "Transaction") whereby New Florence will acquire direct control of three TDS Telecom direct subsidiaries: New London Telephone Company ("New London"), Orchard Farm Telephone Company ("Orchard Farm") and Stoutland Telephone Company ("Stoutland") (together the "Licensees"), each of which hold domestic Section 214 authorization.

Applicants respectfully request that the Commission grant this Application on a streamlined basis. This Application is eligible for streamlined treatment pursuant to

Section 63.03(b)(2) of the Commission's rules because the transaction will result in Transferee having a market share in the interstate, interexchange market of less than 10 percent; the Transferee does not and will not provide competitive telephone exchange services or competitive exchange access services; and Applicants are incumbent independent local exchange carriers that have, in combination, fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas. In the alternative, streamlined treatment is justified on a case-by-case basis.

In accordance with the requirements of Section 63.04 of the Commission's rules, the Applicants provide the following information:

(1) Name, address, and telephone number of each applicant.

Transferor:

TDS Telecommunications Corp., d/b/a TDS Telecom
PO Box 5158,
Madison, WI 54717
(608) 664-4000

Transferee:

New Florence Telephone Company
PO Box 270
150 S. Main
Rockland, ID 83271
(208) 548-2345

(2) State under the laws of which each applicant is organized.

TDS Telecom is a corporation organized under the laws of the State of Delaware. New Florence is a corporation organized under the laws of the State of Missouri. Each Licensee is a corporation organized under the laws of Missouri.

(3) Legal counsel to whom correspondence concerning the application is to be addressed.

For Transferor:

Yaron Dori
Daniel Kahn
Covington & Burling LLP
1201 Pennsylvania Avenue, NW
Washington, DC 20004-2401
Telephone: (202) 662-6000
Fax: (202) 662-6291
ydori@cov.com
dkahn@cov.com

For Transferee:

Richard A. Finnigan
2112 Black Lake Blvd SW
Olympia, WA 98512
(360) 956-7001

(4) Name, address, citizenship, and principal business of entities that own at least ten percent (10%) of the equity of the applicants (to the nearest one percent (1%)).

For Transferor:

TDS Telecom is a wholly-owned subsidiary of Telephone and Data Systems, Inc. ("TDS"), which is incorporated under the laws of Delaware. TDS is a publicly-traded company listed on the New York Stock Exchange. A diversified telecommunications service company, it provides wireless and wireline telecommunications services in the United States. Its address is 30 N. LaSalle Street, Chicago, IL 60602.

TDS is controlled by a Voting Trust whose trustees are LeRoy T. Carlson, Jr., Walter C.D. Carlson, Prudence E. Carlson, and Dr. Letitia G.C. Carlson. They are siblings and U.S. citizens. The address of the trust is TDS's business address: 30 North LaSalle Street, Chicago, IL 60602. LeRoy T. Carlson, Jr. is the President of TDS and Walter C. D. Carlson is its nonexecutive Chairman. As of February 28, 2014, the Voting

Trust controls 56.3% of the voting power of TDS's total shares that vote in matters other than the election of directors and 94.8% of the Series A Common Shares, which elect eight of TDS's 12 directors. Therefore, the Voting Trust elects a majority of the directors and directs a majority of the combined voting power of TDS in matters other than the election of directors.

No other person or entity owns a ten percent (10%) or more direct or indirect interest in TDS Telecom.

For Transferee:

Sixty percent (60%) of the stock of New Florence is held by Oregon Telephone Corporation ("OTC"), which is incorporated under the laws of the State of Oregon. Mr. Garrin Bott owns, directly and indirectly, one hundred percent (100%) of the equity of OTC. Mr. Bott's address is 340 E. Center, Rockland, ID 83271. North-State Telephone Co., an Oregon corporation, owns fourteen (14%) of the stock of OTC, which leads to amounts held indirectly by Mr. Bott which are included in the figures set out for Mr. Bott. Mr. Bott is the primary shareholder in North-State Telephone Co. Mr. Bott is a citizen of the United States. No other person or entity owns a ten percent (10%) or more direct or indirect interest in OTC. The address of OTC is One Telephone Drive, Mount Vernon, Oregon, 97865. The address of North-State Telephone Co. is PO Box 609, Mt. Vernon, Oregon 97865. The principal business of OTC, North-State Telephone Co. and Transferee is telecommunications100%. The principal business of Mr. Bott is telecommunications.

No other person or entity owns a ten percent (10%) or more direct or indirect interest in New Florence.

(5) Certification pursuant to Sections 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal benefits.

By their signatures below, the Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(6) Description of the transaction.

Applicants have entered into three agreements dated as of May 2, 2014, pursuant to which New Florence will acquire one hundred percent (100%) of the capital stock of the Licensees from TDS Telecom, which currently holds one hundred percent (100%) of capital the stock of the Licensees.¹ New London serves USAC Study Area 421928 and is operated by TDS Telecom; Orchard Farm serves USAC Study Area 421934 and is operated by TDS Telecom; and Stoutland serves USAC Study Area 421951 and is operated by TDS Telecom. There are 673 working loops in the New London study area; 606 working loops in the Orchard Farm, study area; and 1,192 working loops in the Stoutland study area.

(7) Description of the geographic areas in which the Transferor and Transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.

TDS Telecom conducts ILEC telephone operations through 115 subsidiaries (at present), in 28 states. TDS Telcom also conducts CLEC operations in two additional states, Illinois and North Dakota, where it does not have ILEC operations. As of March 31, 2014, TDS Telecom provides 348,700 wireline residential voice connections and 212,200 wireline commercial voice connections, as well as 17,700 cable-based voice connections.

¹ Although embodied in three separate purchase agreements — one per Licensee — each agreement is substantially identical and the Transaction is contemplated as a unitary whole.

New Florence provides local exchange and exchange access services in the New Florence wire center located in the State of Missouri as a rural incumbent local exchange carrier. New Florence serves 347 working loops as of the date of this Application.

Mr. Bott holds ownership interests in one other domestic telecommunications carrier. Specifically, Mr. Bott indirectly owns seven and one-half percent (7.5%) of Direct Communications Long Distance, Inc. Direct Communications Long Distance, Inc. is an interexchange carrier. The corporation is organized under the laws of the State of Idaho and is authorized to do business as a foreign corporation in the State of Missouri.

(8) Statement on how the application fits into one or more of the presumptive streamlined categories or why it is otherwise appropriate for streamlined treatment.

This Application is eligible for presumptive streamlined treatment under Section 63.03(b)(2)(iii) of the Commission's rules, or in the alternative, is otherwise appropriate for streamlined treatment.

Under Section 63.03(b)(2)(iii), the Commission's streamlined procedures are presumed to apply where "a proposed transaction would result in a transferee having a market share in the interstate, interexchange market of less than 10 percent, and the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction" and "[t]he applicants are incumbent independent local exchange carriers ... that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas."² TDS Telecom is an incumbent local exchange carrier which serves fewer than two percent (2%) of the nation's subscriber lines. Upon completion of this transaction, New Florence is and will continue to be an incumbent local exchange carrier serving fewer than two percent (2%) of the nation's subscriber

² 47 C.F.R. § 63.03(b)(2)(iii).

lines. Further, in combination, TDS Telecom and New Florence, both before and after completion of this transaction, have fewer than two percent (2%) of the nation's subscriber lines installed in the aggregate nationwide. In addition, since there are no overlapping service areas and no adjacent service territories, the proposed transaction accordingly falls within the presumptively streamlined category. Finally, New Florence, as the Transferee, will, after the completion of the transaction, have a market share in the interstate, interexchange market of less than ten percent (10%). New Florence does not provide competitive telephone exchange service or competitive exchange access service.

Alternatively, streamlined treatment is appropriate under the Commission's "case-by-case approach."³ Indeed, the Commission has adopted a "general rule in which all applications are eligible for streamlined processing," finding that such general eligibility for streamlined processing "best reduces regulatory burdens on domestic telecommunications carriers, while at the same time ensuring that [the Commission] continue[s] to serve the public interest under section 214 of the Communications Act."⁴ This Application should be subject to streamlined processing because it involves only a transfer of equity interests, and presents no "novel questions of fact, law, or policy which cannot be resolved under outstanding precedents and guidelines."⁵ As noted above (and discussed more fully below), this Application presents no competitive or public interest concerns. Upon completion of the proposed transactions, TDS Telecom and Licensees will continue to provide service at the same rates, terms and conditions as are in effect today. No customer will lose service or be adversely affected as a result of the proposed transaction. Because this transaction poses no competitive concerns and raises no novel issues, this Application is appropriate for streamlined treatment.

³ *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517 ¶34 (2002) ("*Streamlining Order*"); see also 47 C.F.R. § 63.03(a) (permitting streamlining "[u]pon determination ... that the application is appropriate for streamlined treatment").

⁴ *Streamlining Order* ¶34.

⁵ *Id.* ¶28.

(9) Identification of all other Commission applications related to the same transaction.

While not technically part of the same transaction, there is another related transaction occurring concurrently in which North-State Telephone Co. intends to acquire Home Telephone Company from TDS Telecom. The parties to that transaction have filed a Section 214 Transfer of Control application concurrently with this Application.

(10) Statement whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.

No party requests any special consideration as no party to the Transaction is facing imminent business failure.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.

None. In addition, please note that there is no international 214 application required for this Transaction.

(12) A statement showing how grant of the application will serve the public interest, convenience, and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.

The Transaction will enhance the ability of the Licensees to serve their subscribers in the local exchange market. This market is subject to significant competitive forces, including participation by competitive carriers and multi-channel video programming distributors. Upon consummation of the proposed Transaction, Licensees will continue to provide service at the same rates, terms and conditions as are in effect today. There will be no reduction, impairment, or discontinuance of service to any customer as a result of the proposed Transaction. The transition of service will be seamless with no interruption or disruption of service. The proposed transaction also

poses no countervailing harms. The Transaction will not reduce the number of entities that compete in the market for the provision of telecommunications services. Indeed, the stable financial environment resulting from the proposed Transaction will help to ensure a continued high level of service to existing and new customers.

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* * *

For all of the foregoing reasons, Applicants respectfully request that the Commission grant all authority necessary for consummation of the Transaction described herein. Please contact the undersigned with any inquiries concerning this Application. Payment in the amount of \$1,050.00, along with FCC Form 159, was transmitted to the Federal Communications Commission, c/o U.S. Bank - Government Lockbox #979091, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101 (Attn: FCC Government Lockbox) for delivery this date.

Respectfully submitted,

TDS Telecommunications Corp.

By: 
Yaron Dori
Daniel Kahn
Covington & Burling LLP
1201 Pennsylvania Avenue NW
Washington, DC 20004-2401
Tel: (202) 662-6000
Fax: (202) 662-6291
E-mail: ydori@cov.com
dkahn@cov.com

New Florence Telephone Company

By: 
Richard A. Finnigan
Law Office of Richard A. Finnigan
2112 Black Lake Blvd SW
Olympia, WA 98512
(360) 956-7001

Its attorney

Its attorneys

Dated: May 17, 2014

Attachments

DECLARATION OF KEVIN HESS

I, Kevin Hess, Executive Vice President of TDS Telecommunications Corp., d/b/a TDS Telecom, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and correct to the best of my knowledge, information, and belief.

May 22, 2014

Date

Kevin Hess

Kevin Hess

DECLARATION OF GARRIN BOTT

I, Garrin Bott, President for New Florence Telephone Company, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and correct to the best of my knowledge, information, and belief.

5-27-2014
Date

Garrin Bott
Garrin Bott